

3094



U.S. Department of Justice

United States Attorney  
District of Connecticut

Connecticut Financial Center (203) 821-3700  
157 Church Street  
P.O. Box 1824  
New Haven, Connecticut 06510 Fax (203) 773-5376

August 23, 1999

COPY

Victor J. Garo, Esq.  
Suite 14, 10 High Street  
Medford, MA 02155

Dear Mr. Garo:

We appreciate the opportunity we had to meet with you on July 14, 1999. During that meeting, you articulated your concern that Federal Bureau of Investigation (FBI) Special Agents (SAs) engaged in improper/criminal conduct in the investigation, prosecution and confinement of your client, Joseph Salvati, for murder conspiracy. It was clear from this meeting that you have extensive knowledge of Mr. Salvati's case and are in a position to help us understand the possible role played by FBI SAs in this matter. You provided us with general details of your concerns, however, expressed your reluctance to fully discuss these events. You explained that you would be willing to assist us further in this investigation only if we agree, in writing, that the U. S. Department of Justice (DOJ) would join in a future motion to clear Mr. Salvati's record of this conviction.

As we explained, the Department of Justice and the Federal Bureau of Investigation are committed to seeing justice done in all matters, including Mr. Salvati's. As such, we are willing to make available the results of our investigation of Mr. Salvati's case, consistent with applicable laws, to whatever entity or authority you identify so as to ensure the interests of justice are properly served. In this regard, however, we cannot agree that the DOJ will join you in a future motion to clear Mr. Salvati's record. As we indicated at the July 14<sup>th</sup> meeting, the United States is not a party to the Massachusetts prosecution, and, therefore, we are not in a position to join in such a motion. We can and will make known to the Massachusetts court, at your direction, whatever we find regarding any involvement of the FBI in the underlying case against your client.

Based on our limited understanding of the facts of Mr. Salvati's case, we will attempt to develop sufficient information to make an assessment of the FBI's behavior in this matter. We would be much more efficient in this matter with your assistance. If you are willing to meet with us to provide additional information about the role the FBI played in Mr. Salvati's case, please



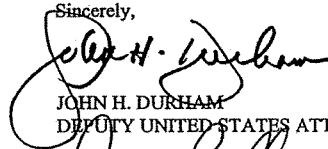
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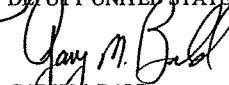
Victor J. Garo, Esq.  
August 23, 1999  
Page 2

contact us at [REDACTED]. Regardless of your decision, we appreciate your talking the time to meet with us.

Sincerely,



JOHN H. DURHAM  
DEPUTY UNITED STATES ATTORNEY



GARY M. BALD  
INSPECTOR-IN-CHARGE  
JUSTICE TASK FORCE

000346

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 9/10/99 Boston Herald 0011999 WL 3407637  
 (Publication page references are not available for this document.)

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Boston Herald  
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Friday, September 10, 1999

NEWS

Murderous rats Mobster ties Bulger, Flemmi to murders  
 ANDREA ESTES

At the same time they were protected FBI informants, James "Whitey" Bulger and Stephen "The Rifleman" Flemmi were also ruthless killers, executing at least nine men who got in their way, says hit man-turned-Mob informer John Martorano.

In a 50-page federal document released yesterday, for the first time prosecutors - based on Martorano's bombshell offer to tell all - say they can pin murders on the two men.

The document, known as an information, also offers a detailed look at the Winter Hill Gang and how it ran bookie, gambling, loansharking and race-fixing operations through intimidation, violence and fear.

In exchange for a 12 1/2-year prison term, Martorano, 58, has agreed to plead guilty to 10 murders in Massachusetts, along with one in Florida and another in Oklahoma. He will also provide investigators with details on eight other murders that took place in Massachusetts as far back as 1965.

According to Martorano, Bulger, 70, and Flemmi, 64, helped him kill in the 1970s when the Winter Hill Gang was at its most powerful, lording over independent bookies and drug dealers, after reaching detente with the Italian Mafia. Bulger and Flemmi, looking to expand their base, moved to eliminate rivals, investigators say.

Martorano was their enforcer.

Though in court papers Bulger and Flemmi are identified as John Doe No.1 and No.2, their identities are clear.

Martorano charges that one or both men ordered the killing of World Jai Alai chairman Roger Wheeler, who was slain as he left a Tulsa, Okla., country club in 1981.

He will also accuse them of ordering the murder of John Callahan, World Jai Alai's former president, whose body was stashed in the trunk of a Cadillac at Miami International Airport in 1982.

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In addition, Martorano claims Bulger or Flemmi helped him kill seven other men between 1973 and 1976 - James Sousa, Thomas King, Edward Connors, Richard Castucci, Michael Milano, Al Plummer and James O'Toole.

Plummer, a 48-year-old longshoreman, was machine-gunned down on Commercial Street in the North End on March 18, 1973.

Castucci, 47, of Revere, a convicted loanshark and former owner of the Ebb Tide Lounge, was found inside a blue sleeping bag in the trunk of his car. He was shot once in the head.

Martorano decided to turn against his former cronies after hearing from Flemmi in federal court that he and Bulger had been working for decades as high-level FBI informants.

"He just got so angry at Flemmi and Whitey," said a friend. "He couldn't take it any longer."

Authorities have admitted the two were snitches, but insisted they were never given a pass on violence. They were permitted only to run their loan sharking and gambling businesses.

Bulger, 70, is a fugitive. He fled after being indicted for racketeering in 1995. Flemmi, who is behind bars awaiting charges, was incensed by Martorano's claims.

His lawyer, Kenneth Fishman, called them "scurrilous" and "fanciful" and accused prosecutors of retaliating against Flemmi for embarrassing them.

According to the court documents, the Winter Hill Gang has been running gambling, extortion and loansharking businesses out of various spots in Somerville, Boston's West End, South Boston and Brookline since 1970.

Martorano, 58, was one of the gang's leaders in the 1970s.

He ran a sports betting business, but took off in 1979 after being indicted for racketeering.

Even so, he continued to operate his gambling business from Florida where he lived under the name "John Lytle" or "Vincent

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Rancourt," until he was captured in 1995, the documents say.

He laundered some of his gambling proceeds through a luxury car dealership in Boca Raton.

His brother, James, according to the document, was also a member of the Winter Hill Gang in the 1970s but later became a capo regime in the Mafia, under reputed New England Mafia boss Francis "Cadillac Frank" Salemme.

Though Bulger and Flemmi, the documents say, controlled the Winter Hill Gang since 1979, Bulger "often, but not always" acted through intermediaries "to insulate himself from criminal liability."

Between 1978 and 1994 the Winter Hill Gang collected "rent" from several Boston area bookies including Burton Krantz, Edward Lewis, James Katz, Thomas Ryan and Richard O'Brien.

They also fixed races at Suffolk Downs in East Boston, Rockingham Park in Salem, N.H., and several other racetracks by paying jockeys to hold back their horses, the documents say.

TABULAR OR GRAPHIC MATERIAL SET FORTH IN THIS DOCUMENT IS NOT DISPLAYABLE

Caption: CALLAHAN; NOTARANGELI; PALLADINO; AMBUSHED: John W. Jackson, 47, was shot in a parking lot outside his apartment on Queensbury Street in the Back Bay in September 1966. HERALD FILE PHOTO; LAST CALL: Investigators view the body of Edward G. Connors, 42, a tavern owner of Dorchester, shot in a phone booth in June 1975.HERALD FILE PHOTO

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At 01:10pm From-

U.S. DEPARTMENT OF JUSTICE  
Memorandum

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Subject  
Information provided by John Martorano

Date  
February 10, 2000

To  
Fred Wyshak  
Assistant United States Attorney

From  
*Daniel M. Doherty*  
Daniel M. Doherty  
Special Agent

On July 12, 1999, September 14, 1999 and January 28, 2000, S/A Daniel M. Doherty debriefed John Martorano regarding statements made to Martorano circa 1966, by Joseph "the Animal" BARBOZA. Martorano advised that he was a close associate to BARBOZA in the mid 1960's. Martorano stated that subsequent to the murder of Edward "Teddy" DEEGAN (09/12/1965), that BARBOZA admitted to Martorano that he, BARBOZA had killed DEEGAN. On a separate occasion, independent of the above conversation, James "the Bear" FLEMMI, told Martorano that he, FLEMMI, killed DEEGAN.

Martorano also stated, that either just prior to or immediately after the time period that BARBOZA began cooperating with law enforcement, that he, BARBOZA, told Martorano to mind his own business and not to intervene, because "They" (the LCN) screwed me and now I'm going to screw as many of them as possible. BARBOZA further stated, that he was not interested in guilt or innocence. BARBOZA again reiterated to Martorano that Martorano should just stay out of it. BARBOZA told Martorano that Martorano was a friend and that he, BARBOZA, would not bother Martorano.



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Saturday, March 24, 2001

**Salemme claim of FBI frame-up draws criticism from prosecutors**

BOSTON (AP) - Francis P. "Cadillac Frank" Salemme's claim that he was framed for a 1968 car bombing is not sitting well with federal prosecutors.

In 1999, Salemme, 67, pleaded guilty to racketeering in connection with a conspiracy to murder attorney John Fitzgerald. In return, he agreed to testify against former Federal Bureau of Investigation agent John Connolly and Winter Hill Gang leaders Stephen "The Rifleman" Flemmi and James J. "Whitey" Bulger.

Now, Salemme claims the FBI pressured a witness to lie in order to protect Flemmi, an informant, and make sure he went to prison. He filed a habeas corpus petition making the claim on March 12.

"Tellingly, Salemme never claims that he is actually innocent of participating in the conspiracy to murder Fitzgerald," U.S. Attorney Donald K. Stern's office said in a motion filed Friday.

Prosecutors also said Salemme "was aware of the various issues surrounding Robert Daddieco at the time Salemme pleaded guilty." They said Salemme's petition should be rejected because his allegations, even if accepted as true, do not entitle him to any relief.

Both Salemme and Flemmi were indicted for the crime, based on information provided by witness Robert Daddieco. Salemme was convicted in 1973 and served 15 years in prison for the 1968 bombing, which tore off one of Fitzgerald's legs. But Flemmi fled - tipped off, says Salemme's attorney, Anthony Cardinale, by FBI agent H. Paul Rico.

In 1999, U.S. District Court judge Mark Wolf ruled that Rico aided the unlawful flight of a fugitive by warning Flemmi of the impending indictments.

In 1998, Flemmi testified that he returned after Rico told him Daddieco had recanted his testimony and the charges were being dropped.

--- INDEX REFERENCES ---

KEY WORDS: AP STATE WIRES: MASSACHUSETTS

NEWS SUBJECT: English language content; Crime and Courts; Political and General News; Crime (ENGL GCRIM GCAT CRM)



UN-SEALED  
 UNITED STATES DISTRICT COURT  
 DISTRICT OF MASSACHUSETTS

|                          |   |                                |
|--------------------------|---|--------------------------------|
| UNITED STATES OF AMERICA | : | CRIMINAL NO. 1:00CR10412-EFI   |
|                          | : |                                |
| v.                       | : | Conspiracy to Obstruct Justice |
|                          | : | (18 U.S.C. § 371)              |
| RICHARD J. SCHNEIDERHAN, | : |                                |
| EDWARD G. DUFF,          | : | Obstruction of Justice         |
| and LINDA REARDON        | : | (18 U.S.C. §1503)              |
|                          | : |                                |
|                          | : | Aiding and Abetting            |
|                          | : | (18 U.S.C. § 2)                |

INDICTMENT

The Grand Jury charges:

COUNT ONE - Conspiracy to Obstruct Justice  
(Richard J. Schneiderhan, Edward G. Duff, Linda Reardon)

GENERAL ALLEGATIONS

1. The "Winter Hill Gang" was a clandestine criminal organization that engaged in multiple crimes, including bribery, extortion, loan sharking, and gambling in the greater Boston, Massachusetts area. James Bulger, also known as "Whitey," Stephen Flemmi, also known as "the Rifleman", and John Martorano, among others, were members of the "Winter Hill Gang."

2. On or about January 4, 1995, in connection with the case subsequently captioned United States v. Francis P. Salemme, et al., Cr. No. 94-10287-MJ.W (D. Mass.), arrest warrants were issued for, among others, James Bulger and Stephen Flemmi.

001193





3. Between on or about December 23, 1994 and on or about January 5, 1995, the exact date being unknown to the grand jury, James "Whitey" Bulger fled the District of Massachusetts. He remains a fugitive as of the date of this Indictment.

4. On or about January 10, 1995, a federal grand jury for the District of Massachusetts, returned the indictment known as United States v. Francis P. Salemme, et al., Cr. No. 94-10287-MLW (D. Mass.). Two of the persons named as defendants in the case and charged therein with violations of the federal racketeering laws were James Bulger and Stephen Flemmi. Later, in or about August, 1995, a superseding indictment was returned by the grand jury which again named Bulger and Flemmi, among others, as defendants and added John Martorano as a defendant in the case.

5. Beginning as far back as the 1950's and at all times material to this Indictment, RICHARD J. SCHNEIDERHAN maintained a personal friendship with Stephen Flemmi.

6. Beginning in or about the late 1960's and continuing through in or about 1978, the exact dates being unknown to the grand jury, SCHNEIDERHAN maintained a personal, non-law enforcement relationship with John Martorano.

7. At all times relevant to this Indictment, SCHNEIDERHAN and EDWARD G. DUFF were related through marriage as brothers-in-law.

8. DUFF and LINDA REARDON (nee Duff) are father and daughter. At all times relevant to this Indictment, SCHNEIDERHAN and REARDON were uncle and niece.

9. At all times material to this Indictment, REARDON was employed by the Bell

Atlantic Company in its Taunton, Massachusetts exchange location as an Administrative Assistant. In that capacity, REARDON was responsible for processing work orders and assigning work orders to telephone technicians.

10. At all times relevant to this Indictment, the Federal Bureau of Investigation was actively involved in the fugitive search for James "Whitey" Bulger so that he could be brought to trial in the case known as United States v. Francis P. Salemme, et al., Cr. No. 94-10287-MLW (D. Mass.).

11. As part of the effort to locate James "Whitey" Bulger so that he could be held to stand trial, the Federal Bureau of Investigation utilized a variety of investigative techniques, including, but not limited to, court orders authorizing the installation and use of "pen register" devices to capture potential evidence as to Bulger's whereabouts.

#### THE CONSPIRACY

12. From on or about September 21, 1999 and continuing thereafter until on or about September 23, 1999, in the District of Massachusetts, the defendants, RICHARD J. SCHNEIDERHAN, EDWARD G. DUFF and LINDA REARDON, together with others known and unknown to the Grand Jury, unlawfully, knowingly and wilfully conspired to corruptly influence, obstruct and impede the due administration of justice in the case known as United States v. Francis P. Salemme, et al., Cr. No. 94-10287-MLW (D. Mass.), in the District of Massachusetts, by disclosing information concerning a then ongoing investigative effort being conducted by the Federal Bureau of Investigation pursuant to court order and designed to capture information which might be of assistance

in apprehending James "Whitey" Bulger so that he could be held to stand trial in the case captioned United States v. Francis P. Salemme, Cr. No. 94-10287-MLW (D. Mass.), in violation of Title 18, United States Code, Section 1503.

Overt Acts

13. In furtherance of the conspiracy and to effect its objects, at least one of the defendants committed or caused to be committed one or more of the following acts in the District of Massachusetts:

a. On or about September 21, 1999, in the District of Massachusetts, the defendant REARDON, acting with corrupt intent to influence, obstruct and impede justice, provided confidential law enforcement information to DUFF concerning an FBI investigation utilizing electronic surveillance (namely, devices known as "pen registers" which are designed to capture all telephone numbers called from the specified telephone number) on certain South Boston telephone lines.

b. On or about September 21, 1999, defendant DUFF, who was acting with corrupt intent to influence, obstruct and impede justice, met with the defendant SCHNEIDERHAN and informed SCHNEIDERHAN that the specified telephone lines in South Boston, Massachusetts were the subject of electronic surveillance being conducted by the Federal Bureau of Investigation.

c. On or about September 22, 1999, the defendant SCHNEIDERHAN, who was acting with corrupt intent to influence, obstruct and impede justice, conveyed

information to Kevin Weeks that the specified telephone lines in South Boston, Massachusetts were the subject of electronic surveillance being conducted by the Federal Bureau of Investigation.

d. On or about September 23, 1999, Kevin Weeks, who was acting with corrupt intent to influence, obstruct and impede justice, conveyed to one of the targets of the electronic surveillance the information that had been provided to him by the defendant SCHNEIDERHAN.

All in violation of Title 18, United States Code, Section 371:

COUNT TWO- Obstruction of Justice  
(Richard J. Schneiderhan, Edward G. Duff, Linda Reardon.)

1. Paragraphs 1 through 11 of Count One are incorporated and realleged as if set forth in full hereinafter.

2. Between on or about September 21, 1999 and September 23, 1999, in the District of Massachusetts, the defendants RICHARD J. SCHNEIDERHAN, EDWARD G. DUFF, and LINDA REARDON did corruptly influence, obstruct and impede and did endeavor to influence, obstruct and impede the due administration of justice in the case known as United States v. Francis P. Salemme, et al., Cr. No. 94-10287-MLW (D. Mass.) by disclosing information concerning a then ongoing investigative effort being conducted by the Federal Bureau of Investigation pursuant to court order which was designed to capture information that might be of assistance in apprehending James "Whitey" Bulger so that he could be held to stand trial in the case captioned United States

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v. Francis P. Salemme, Cr. No. 94-10287-MLW (D. Mass.).

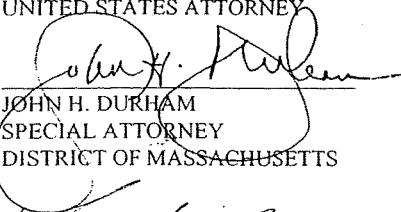
All in violation of Title 18, United States Code, Sections 1503 and 2.

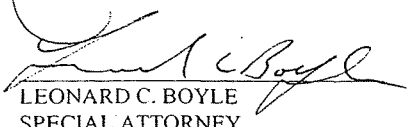
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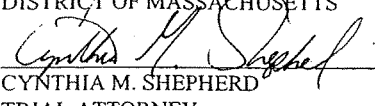
  
FOREPERSON

UNITED STATES OF AMERICA

DONALD K. STERN  
UNITED STATES ATTORNEY

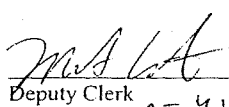
  
JOHN H. DURHAM  
SPECIAL ATTORNEY  
DISTRICT OF MASSACHUSETTS

  
LEONARD C. BOYLE  
SPECIAL ATTORNEY  
DISTRICT OF MASSACHUSETTS

  
CYNTHIA M. SHEPHERD  
TRIAL ATTORNEY  
UNITED DEPARTMENT OF JUSTICE

DISTRICT OF MASSACHUSETTS: 11/15/2000

Returned into the District Court by the Grand Jurors and filed.

  
Deputy Clerk

AT 4130 PM

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The Boston Globe  
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Friday, October 1, 1999

METRO/REGION

Mobster pleads guilty to murders > Judge considers Martorano deal  
Shelley Murphy, Globe Staff

The scowl he wore while learning of the endless betrayals by his longtime Winter Hill Gang cohorts James "Whitey" Bulger and Stephen Flemmi was gone yesterday as John Martorano strolled into a federal courtroom in Boston and calmly pleaded guilty to killing 10 people. Appearing relaxed and slightly tanned — and looking more like a businessman than a confessed hit man in his gray pin-striped suit, pale blue shirt and yellow-gray tie — Martorano took another step toward paying back FBI informants Bulger and Flemmi. Martorano, 58, pleaded guilty to killing 10 people in the 1970s on behalf of a racketeering enterprise — the Winter Hill Gang — as well as racketeering, extortion, and money laundering. A plea agreement calls for his cooperation against Bulger, Flemmi and any former FBI agents being targeted in an ongoing corruption probe. Martorano also agreed to plead guilty to second-degree murder charges in Oklahoma and Florida, two states with the death penalty, with assurances that he'll only face a 15-year prison term. He's also confessed to another eight murders during the 1960s and 1970s for which it appears he will never be charged. Martorano has implicated Bulger as an accomplice in three murders and Flemmi in half a dozen slayings, according to sources. Last year, as he listened grim-faced in federal court, Martorano learned that Bulger and Flemmi were longtime FBI informants who betrayed both their friends and the Mafia in exchange for FBI protection. US District Judge Mark L. Wolf accepted Martorano's plea, but postponed any decision on whether he will go along with a government recommendation to sentence Martorano to 12 1/2 to 15 years in prison. If the judge rejects the recommendation, Martorano can withdraw his plea and the deal would fall apart. "I wanted to choke him. He's sitting there unremorseful," said Richard Castucci after Martorano admitted killing Castucci's father, Richard, a 47-year-old Revere nightclub owner, on Dec. 30, 1976. Martorano says that he, Bulger, and Flemmi killed Castucci, who was found shot to death in the trunk of a car. "I think they're treating him very nicely for admitting to killing all these men," said Denise Castucci, who was 21 when her father was slain. But in a telephone interview, David Wheeler, the son of another one of Martorano's victims, said Martorano's deal is "the price we pay to get to the leaders, the people who ran the Winter Hill Gang, the people who have enjoyed the protection of the FBI." Martorano has admitted gunning down Roger Wheeler, chairman of Telex Corp. and owner of World Jai Alai, outside a Tulsa country club on May 27, 1981, but says the murder was orchestrated by Bulger and Flemmi to hide the fact that the Winter Hill Gang was skimming profits from Wheeler's company. The FBI's handling of the Wheeler case is under investigation by a grand jury. The FBI failed to tell Tulsa investigators that an informant — who was later gunned down — had implicated Bulger and Flemmi in

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Wheeler's slaying. Defending the deal with Martorano, US Attorney Donald K. Stern said it marked a "somewhat rocky and long road to justice." Without Martorano's cooperation, Stern said the 20 murders he confessed to would have remained unsolved and nobody would ever be punished for them. Martorano's cousin, Joe, who attended yesterday's hearing, said, "I hope he gets a fair shake. I think it's best to get everything out on the table where it belongs. Let the chips fall where they may -- FBI or no FBI." Earlier this week, black community leaders urged authorities to investigate whether Martorano killed more blacks than the four he has admitted to. They cited a Globe column last year by Mike Barnicle that quoted retired Boston Police Detective Eddie Walsh saying that Martorano "used blacks for target practice." "As far as I know, it's fantasy and made up," said Stern, adding that if Martorano is caught lying, his deal is void and he could be prosecuted for murder. Within law enforcement circles, Walsh's statements have been viewed as an effort to sabotage Martorano's deal to prevent him from testifying against Bulger. Bulger's former handler, retired FBI Agent John Connolly, has described Walsh to reporters as Connolly's "cousin."

--- INDEX REFERENCES ---

NAMED PERSON: WHEELER, DAVID

KEY WORDS: BOSTON; ORGANIZED CRIME; PROBE; MURDER; NAME-MARTORANO

NEWS SUBJECT: Local/Regional Section (LCR)

REGION: Massachusetts; Eastern U.S.; United States; North America (MA USE US NME)

EDITION: CITY EDITION

Word Count: 695

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The Boston Globe  
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Friday, December 10, 1999

Metro/Region

SALEMME PLEADS GUILTY TO RACKETEERING PLEA DEAL WOULD DROP MURDER CHARGES  
Shelley Murphy, Globe Staff

Tired after five years of legal wrangling, reputed New England Mafia boss Francis "Cadillac Frank" Salemme pleaded guilty yesterday to a federal racketeering indictment after prosecutors agreed to drop murder charges that could have sent him to prison for life.

Dressed in a charcoal, pin-striped suit, Salemme, 66, took the witness stand and admitted under oath that he formed a pact with South Boston crime boss James "Whitey" Bulger to extort "rent" from bookmakers, loansharks and drug dealers from 1979 through 1994.

When asked by US District Judge Mark L. Wolf if he had ever been known by any other name, Salemme quipped, "Not by myself your honor, but by the press I'm known as Cadillac Frank Salemme."

One by one, Wolf described 15 counts of racketeering, extortion, bribery, and interstate travel in aid of racketeering, and asked Salemme if he had committed the crimes.

"Yes sir," was the response each time.

Federal prosecutors and Salemme's attorneys filed a plea agreement, recommending that Salemme serve a sentence ranging from 10 years and 10 months to 13 1/2 years. Salemme would be credited with the time he has been jailed - since August 1995 - awaiting trial, meaning he could be free in 6 1/2 years.

Salemme has not agreed to cooperate in the case.

Wolf accepted Salemme's plea, but has yet to decide whether he will accept the agreement. If he rejects it, then under the agreement, Salemme may withdraw his plea and go to trial.

Defending the agreement as "a good result for the government," US Attorney Donald K. Stern noted that Wolf had indicated that he might dismiss allegations that Salemme killed four men in 1967. The judge had raised questions about whether the grand jury was misused to add the murder charges to an existing indictment.





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(Publication page references are not available for this document.)

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The killings include three Dorchester brothers, Edward, Walter, and William Bennett, and another man, Richard Grasso.

Without the murder charges, Stern said Salemme would probably have faced eight to 10 years in prison, if convicted at a trial.

"Anyone who thinks it's easy to go back 37 years and prove murders hasn't tried any of these cases," Stern said.

Attorney Anthony Cardinale, who represents Salemme, said he was confident that Salemme could have beaten the case, but there were "no guarantees," and if the murder charges weren't dropped, Salemme could have faced a life sentence.

"He's tired of fighting," said Cardinale, adding that Salemme was anxious to distance himself from his codefendant, longtime Bulger sidekick Stephen "The Rifleman" Flemmi. Both Bulger and Flemmi have been exposed during the case as longtime FBI informants.

While Bulger has remained a fugitive since the 1995 indictment, lawyers for Flemmi, Salemme, and reputed mobster Robert DeLuca have tried to get the case dismissed because Bulger and Flemmi were working as FBI informants at the same time the government says they were members of the racketeering enterprise.

During lengthy pretrial hearings, former FBI agents revealed a cozy relationship between some FBI agents and Bulger and Flemmi. One former FBI supervisor admitted pocketing \$7,000 in bribes from the pair and tipping them to cases.

In a 661-page ruling in September, Wolf refused to dismiss the case after rejecting Flemmi's argument that the FBI promised him and Bulger protection from prosecution. But Wolf is planning more hearings and has barred prosecutors from using some evidence against Flemmi.

"Frank doesn't want to be next to Flemmi for another second, never mind another two years," said Cardinale, referring to evidence that Flemmi leaked information to the FBI about Salemme's activities.

But Cardinale credited Salemme with helping expose Bulger and Flemmi's relationship with the FBI. "I believe that the positive thing that's going to come out of it is you're going to see the whole system of how the FBI deals with informants radically changed," he said.

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Bill Chase, assistant special agent in charge of the FBI's Boston office, said the agency's informant guidelines are being reviewed by the FBI and the Justice Department.

"I think we did learn some lessons from this case and I think we will benefit from them, and, yes, there will be some changes in the rules," Chase said.

Salemme's departure from the case leaves just Flemmi and DeLuca. "If we can resolve this case in a way that DeLuca doesn't have to face a trial, that's an option we have to consider," said his attorney, Randolph Gioia.

As for Flemmi, his attorney, Kenneth Fishman, said, "As far as we're concerned, we're happy to have the courtroom to ourselves."

---- INDEX REFERENCES ----

NAMED PERSON: CARDINALE, ANTHONY  
  
NEWS SUBJECT: Local/Regional Section (LCR)  
  
NEWS CATEGORY: MET  
  
EDITION: THIRD

Word Count: 753

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Saturday, March 24, 2001

# NEWS

## Prosecutors rip **Salemme** claim of FBI frame job J. M. LAWRENCE

Federal prosecutors yesterday scoffed at New England Mafia boss Francis P. "Cadillac Frank" **Salemme's** attempt to get out of prison based on new claims that the FBI framed him for the 1968 bombing of a Boston attorney's car.

"Tellingly, **Salemme** never claims that he is actually innocent of participating in the conspiracy to murder attorney (John) **Fitzgerald**," U.S. Attorney Donald K. Stern's office said in a motion filed yesterday with the court.

**Salemme**, 67, took a plea agreement in December 1999 in which he admitted to racketeering in connection with a conspiracy to murder **Fitzgerald**, the attorney for Mob turncoat Joseph "The Animal" Barboza in the 1960s.

The Jan. 30, 1968, explosion left **Fitzgerald** crippled.

**Salemme** and Stephen "The Rifleman" Flemmi were indicted for the crime based on information from witness Robert Daddieco.

**Salemme** served 17 years for the bombing while charges against Flemmi were later dropped.

Three decades later, revelations about Flemmi's role as a secret informant for the FBI cast new light on the case, according to **Salemme's** attorney, Anthony Cardinale.

Last month, Cardinale petitioned U.S. District Court Judge Mark L. Wolfe for "whatever relief he finds appropriate," claiming the government withheld information that might have helped **Salemme's** case.

New evidence will show the FBI manipulated Daddieco into framing **Salemme**, Cardinale has said.

He argues the case has parallels with the infamous 1965 Edward "Teddy" Deegan murder case, in which a state judge this year ruled the FBI withheld evidence that might have exonerated four men. The

four were convicted and given life sentences.

Prosecutors, however, contend **Salemme's** defense "was aware of the various issues surrounding Robert Daddieco at the time **Salemme** pled guilty."

A judge should throw out the Mob boss' petition without so much as a hearing, prosecutors argued.

"The habeas petition should be rejected without an evidentiary hearing because the allegations in **Salemme's** petition, even if accepted as true, do not entitle him to any relief," the government said. Cardinale could not be reached for comment.

**Salemme** is currently serving 11 years after pleading guilty to racketeering and bribery charges.

As part of the plea, he has agreed to testify against former FBI agent John Connolly and Winter Hill gang leaders James "Whitey" Bulger and Flemmi.

---- INDEX REFERENCES ----

NAMED PERSON: DADDIECO, ROBERT; CARDINALE, ANTHONY

ORGANIZATION: FEDERAL BUREAU OF INVESTIGATION

NEWS SUBJECT: English language content; Crime and Courts; Political and General News; Crime (ENGL GCRIM GCAT CRM)

EDITION: ALL EDITIONS

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2001 WL 3923873

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The Boston Globe  
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Tuesday, March 13, 2001

Metro/Region

SALEMME REPORTEDLY TO TESTIFY AGAINST BULGER  
Ralph Ranalli, Globe Staff

Former New England Mafia boss Francis P. "Cadillac Frank" Salemme has agreed to be a witness for the government against two fellow underworld figures and two FBI agents, and is also making a bid to attack the conviction on which he is imprisoned, according to sources and court documents.

Sources yesterday confirmed a published report in the Boston Herald that Salemme, 67, has agreed to testify against former FBI Special Agents John Connolly and H. Paul Rico and their informants, South Boston crime boss James "Whitey" Bulger and his longtime partner-in-crime, Stephen "The Rifleman" Flemmi.

Connolly, Bulger, and Flemmi have been indicted on racketeering charges in connection with their work for the FBI's Top Echelon Informant Program, which authorized FBI agents to recruit high-ranking members of mob groups as sources of information.

Connolly has been accused of breaking the law by leaking the names of other informants to Bulger and Flemmi and warning them of impending indictments.

Salemme testified before a grand jury last year that Connolly gave him a similar warning of an impending 1995 indictment.

The sealed document containing information about Salemme's offer to repeat his grand jury testimony in court was apparently inadvertently left open for public inspection last week.

Meanwhile, Salemme has filed a federal petition that claims the FBI, in an effort to protect Flemmi, pressured Robert Daddieco to commit perjury several times in the court case related to the 1968 attempted murder of Everett defense lawyer John E. Fitzgerald, who was maimed in a car bombing.

Salemme was convicted of attempted murder in the Fitzgerald case and served 15 years in prison.

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In a December 1999 plea agreement, Salemme pleaded guilty to racketeering, loansharking, and extortion. In return, prosecutors agreed to drop murder charges against him. He is currently serving an 11-year sentence in that case.

The racketeering charges were based, in part, on the Fitzgerald bombing allegations. By challenging them, Salemme could reopen his case and negotiate a lesser sentence. In his filing, Salemme asks the court to grant him "whatever relief it deems appropriate" because of what he calls FBI misconduct.

Daddieco was recruited by Rico, who signed on Flemmi as an informant in the 1960s. Rico is being investigated in connection with the 1981 mob murder of Roger Wheeler, a millionaire from Tulsa, Okla.

Material from the Associated Press was used in this report.

TABULAR OR GRAPHIC MATERIAL SET FORTH IN THIS DOCUMENT IS NOT DISPLAYABLE

Caption: WITNESS FOR THE PROSECUTION /Francis P. "Cadillac Frank" Salemme, shown in a 1995 booking photo, has reportedly agreed to testify against reputed mobsters James "Whitey" Bulger and Stephen "The Rifleman" Flemmi. B2

--- INDEX REFERENCES ---

NAMED PERSON: CONNOLLY, JOHN; RICO, H PAUL; BULGER, JAMES J; FITZGERALD, JOHN

ORGANIZATION: FEDERAL BUREAU OF INVESTIGATION

NEWS SUBJECT: English language content; Crime and Courts; Political and General News; Crime (ENGL GCRIM GCAT CRM)

NEWS CATEGORY: MET

EDITION: THIRD

LAYOUT CODES: (LCR)

Word Count: 394

3/13/01 BOSTONG B.2

AFFIDAVIT

I, Steven Flemmi, on oath, do hereby depose and state the following:

- 1) For many years, including the 1980s, I acted as a confidential informant for the FBI.
- 2) My FBI handler was Special Agent John Connolly.
- 3) In or near 1987, I reported to John Connolly about information I knew concerning a number of meetings involving Anthony St. Laurent of Rhode Island and other members of the LCN regarding the "shakedown" of a Las Vegas bookmaker.
- 4) At some point I received reliable information that an associate of the Las Vegas bookmaker was planning to assassinate Anthony St. Laurent because St. Laurent had threatened the bookmaker's 15 year old daughter.
- 5) I immediately gave this information to Connolly. At that point Connolly told me that St. Laurent was also a confidential informant for the FBI. Connolly asked me to intercede and stop the attempted assassination. I was able to accomplish this task.

MEMO SENSITIVE: ADMINISTRATIVE OPERATIONS AND PROCEDURES  
(E.B.I. DOCUMENT) THREAT TO LIFE - DISSEMINATION OF  
INFORMATION

EFFECTIVE 1/21/87

Signed under the pains and penalties of perjury this 13 day  
of DECEMBER, 1995.

*Stephen J. Flemmi*  
Steve Flemmi

